

BUDGET, FINANCE & INVESTMENT COMMITTEE

May 9, 2013

5:30 P.M.

Courthouse

MINUTES:

<u>Members Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>	<u>Others Present:</u>
Comm. Charlie Baum	Ernest Burgess	Doug Demosi	Dana Garrett
Comm. Joe Frank Jernigan	Teb Batey	Laura Bohling	Don Odom
Comm. Will Jordan	Lisa Nolen	Larry Farley	Jeff Sandvig
Comm. Robert Peay, Jr.	Mike Woods	Michael Gregory	Melissa Stinson
Comm. Steve Sandlin	John Black	Sheriff Robert Arnold	Jay Brown
Comm. Doug Shafer	Paul Lamb	Joe Russell	Jason Roberts
Comm. Joyce Ealy, Chr.	Nicole Lester	Mike Nunley	Casey McClure

Sue Cain, Ron Scudder, Rena Scudder, Steve Schroeder, Mark Class, Brian McNeal, Janet Bowman, Jeff Davidson, Regina Harvey, Kathy McMahan, Scott Broden, Nathan Pagel, Steve Spence, Kirk Catron, Mark Dinardo, Britt Reed, Stacie Allen, Jim Allen, Nancy Loyd, Elaine Short

Chairman Ealy presided and called the meeting to order at 5:30 P.M. with Comm. Will Jordan being absent at that time.

APPROVE MINUTES:

The minutes of the April 4, 2013 Budget Committee meeting were presented for approval.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the minutes as presented.

The motion passed unanimously by acclamation.

INVESTMENT REPORT:

Mr. Teb Batey, Trustee presented the monthly Investment Report for the use and information of the committee advising that the LGIP interest rate for the month was .12%. He advised that there were two investment transactions during the month. One was awarded to First Bank for one year with an interest rate of .25%. The other bid was awarded to Pinnacle for six months at .20%.

Following review Comm. Sandlin moved, seconded by Comm. Peay to approve the monthly Investment Report as presented.

The motion passed unanimously by acclamation.

FUND CONDITION REPORT:

The Finance Director presented the monthly Fund Condition Report for the use and information of the committee advising that the Development Tax collections for the month were \$152,250 with the year-to-date collections being \$2,496,750. This compared to the same period last year when the monthly collections were \$358,500 and the year-to-date collections were \$1,370,250.

The committee reviewed the fund cash balances totaling \$201,072,039 with \$188,813,519 being operating funds, and \$12,258,520 being borrowed funds. This compared to the same period last year when the total cash balances were \$225,507,976 with operating funds being \$181,010,330, and borrowed funds being \$44,497,646.

The Finance Director advised that to date every fund was ahead on revenue collections compared to the same period for the previous five years. Sales tax collections were ahead of projections by 50% for the General Fund, Solid Waste Fund, and Highway Fund. The Hotel/Motel Tax was ahead of projections by 12%. The Development Tax collections exceed the projections by \$757,000. The PILOT collections will be under projections by \$462,000. Building Permits were ahead of projections by 47.6%, and county officials' fees were up by 8.9%. Sales Tax collections were also ahead of projections in the General Purpose School Fund.

Comm. Sandlin asked about the adjustments from the Assessor's Office.

The Finance Director advised that there were some adjustments that had not gone all of the way through the process, and she was expecting to receive more adjustments in May and June. She said the actual effect of all of the appeals might not be known until August after the books were closed.

Comm. Sandlin asked if the committee could see what was being adjusted as they were adjusted.

Mayor Burgess advised the refunds on the appeals were being made as they were settled.

The Finance Director explained that the Trustee's Office would see the effect of the appeals, because it was an adjustment to the current levy. She said that perhaps the Trustee could report what had been paid back.

Comm. Sandlin stated that it would affect the bottom line.

The Finance Director advised that the assessment values had been adjusted for next year based upon the appeals that had been settled.

Comm. Shafer also advised that increases would be coming in through the end of August due to new construction.

Following review, Comm. Sandlin moved, seconded by Comm. Jernigan to approve the Fund Condition Report as presented.

The motion passed unanimously by acclamation.

RECOMMENDATION AUTHORIZING LOAN TO SMYRNA/RUTHERFORD COUNTY AIRPORT AUTHORITY:

Mr. Mike Woods, Mr. John Black, and Mr. Paul Lamb were present to address the committee about the proposed construction of a 24,000 square foot hangar and 13,000 square feet of office space including underground utilities.

Mr. Woods explained that Rutherford County owned 60% of the airport and the Town of Smyrna owned 40% of the airport. It was created over 20 years ago when the Nashville Airport Authority relinquished control of the airport and turned it over to local control. The board is a five-member board with two of the board members being appointed by Rutherford County, two board members being appointed by the Town of Smyrna, and one member being appointed by the City of La Vergne. The board members rotate off of the board and either they are re-appointed or a new board member is appointed.

Mr. Woods advised that the airport authority had mostly operated in the black since its creation. He explained that they had requested seed money from the county early on, and a few years later requested a grant from the County and the Town of Smyrna to construct the business center. The prior loans have been repaid to the county and to Smyrna as scheduled and they try to live within their means. They are very focused on operating the airport as a business and living within the revenue that is generated at the airport.

Mr. Woods advised that the board believed it was a good opportunity to construct some additions at the airport now. The rental income and the occupancy rates were very strong. He explained that the airport property consisted of approximately 450 acres of prime development property.

Mr. Woods explained that the project they were proposing would cost approximately \$9.3 million, and they believed that they could obtain about half of that money through the aeronautics division from the State and Federal Government. He stated that they had received some fairly good assurances that the money would be made available to them. He stated that would leave a balance of a little over \$4 million that they would be short.

Mr. Wood advised that they were requesting approval of loans from the County and the Town of Smyrna, based on the 60%/40% split that the airport authority would re-pay. He stated that they had requested a contribution from the IDB, and the IDB had approved a contribution of \$330,000.

Mr. Woods advised that the funding would allow the airport authority to construct the building, which would include hangar space and office space. He stated that they believed the building would generate enough revenue to re-pay the loan. He stated it would also make available more property with infrastructure to attract new businesses with good-paying jobs.

Mr. Black also advised that he believed it was a good time to construct the additional hangar space and office space. He stated that an economic impact study was performed last year, and it proved the same. He stated that this was a continuation of their master plan. The county portion of the loan was \$2.4 million. Including the balance of the existing loan of \$391,146.48, the total amount would be \$2,832,302. They are looking for a 20-year amortization at the best rate they can get.

Mr. Black advised they were estimating the income that the airport could receive from the building at \$195,000 annually based on an occupancy rate of 75%. Performa Statements were presented with pay backs of 2%, 3% and 4%.

Comm. Shafer asked if the land that would be made available for development would be leased or sold.

Mr. Black explained that with any airport, the property could not be sold. The property has to be leased, and it could be leased on a long-term basis. The way it usually works is the property is leased to someone, they construct a building on it, and at the end of the lease the building reverts to the airport's ownership.

Comm. Sandlin stated that he was comfortable with the plan, because even in the bad economic times, the airport had continued to grow.

The Finance Director advised that the existing note was currently being paid back at an interest rate of 6%. In speaking with the bond attorney, the current note will have to be addressed separately. It cannot be rolled into the new debt and might have to be restructured at a later date. She advised that she was requesting approval of an interfund note from the Debt Service Fund to the Industrial/Economic Development Fund of not to exceed \$2.5 million to provide the initial funding to the airport authority for the construction of the hangar and the office space. Since the money will be for the purpose of private activities, the borrowing will have to be issued with taxable debt instead of tax exempt debt.

The Finance Director also requested approval of an Initial Resolution authorizing the county to issue the debt of not to exceed \$2.5 million, which will be published in a newspaper having general circulation notifying the public of the county's intent to issue the debt.

Following discussion, Comm. Sandlin moved, seconded by Comm. Peay to approve a Resolution and forward the same to the County Commission authorizing the issuance of a interfund Capital Outlay Note from the Debt Service Fund to the Industrial/Economic Development Fund in an amount not to exceed \$2,500,000 to be loaned to the Smyrna/Rutherford County Airport Authority for the construction of a 24,000 square foot hangar, 13,000 square feet of office space, and underground utilities.

The motion passed unanimously by roll call vote with Commissioner W. Jordan being absent at that time.

Comm. Sandlin moved, seconded by Comm. Jernigan to approve an Initial Resolution and forward the same to the County Commission authorizing the issuance of not to exceed \$2.5 million of General Obligation Bonds and directing and instructing the county to publish its intent in a newspaper having general circulation in the county.

The motion passed unanimously by roll call vote with Commissioner W. Jordan being absent at that time.

The Finance Director advised if everything went well with the Federal Government, then at a later date she would be requesting approval of a note to the Smyrna/Rutherford County Airport Authority.

Mr. Burgess advised that the airport authority would have to go through the same process with the Town of Smyrna.

Mr. Woods explained that if the grant money was not received from the Federal Government, they would not be moving forward with the project.

SMYRNA/RUTHERFORD COUNTY AIRPORT AUTHORITY 2013-14 BUDGET:

The Finance Director advised that GASB standards had changed regarding how the auditors looked at component units. In reviewing the component units, the auditors had researched the by-laws, which created the component units. The airport authority has been submitting a copy of their budget to the Mayor's Office; however, the airport authority's by-laws state that the budget shall be approved by the Rutherford County Commission. Therefore, a copy of the Smyrna/Rutherford County Airport Authority's 2013-14 budget was presented for approval with estimated income of \$1,457,206, estimated expenditures totaling \$1,108,070, other income of \$11,000, and other expenses totaling \$69,190, and a total net profit of \$290,946.

Comm. Jernigan moved, seconded by Comm. Peay to approve the 2013-14 budget for the Smyrna/Rutherford County Airport Authority reflecting a total net profit of \$290,946.

Mayor Burgess advised that the budget was a continuation budget, and the airport authority was very frugal. The hangars are 100% occupied.

Following discussion, the motion to approve the 2013-14 budget for the Smyrna/Rutherford County Airport Authority reflecting a total net profit of \$290,946 passed unanimously by roll call vote with Comm. W. Jordan being absent at that time.

GENERAL FUND BUDGET AMENDMENTS

ELECTION COMMISSION:

Mrs. Nicole Lester, Election Registrar, requested approval of the following budget amendment to provide sufficient funding to purchase forms to send out confirmation notices to voters who either did not vote in 2008 or have not updated their address. She stated that pursuant to Tennessee Code Annotated, the Election Commission was required to mail the notices this year:

From: 101-51500-435 – Office Supplies -	\$2,000
To: 101-51500-349 – Printing, Stationery & Forms -	\$2,000

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget transfer for the Election Commission as requested transferring \$2,000 from Account 101-51500-435, Office Supplies, to Account 101-51500-349, Printing, Stationery & Forms.

The motion passed unanimously by roll call vote.

PLANNING/ENGINEERING:

Mr. Doug Demosi, Planning Director, requested approval of the following budget amendments to provide funding to pay the accrued leave for an employee that would be retiring at the end of June, 2013; to provide funding for two weeks of training for the replacement employee; to provide funding for committee member fees for the rest of the fiscal year; and to provide additional funding for Maintenance Agreements. Funds were available in the assistant line item because of a vacant position. Mr. Demosi also requested approval of an amendment to provide gas for the rest of the fiscal year utilizing available funds in the Miscellaneous Gasoline Account:

From: 101-51720-103 – Assistants -	\$10,230
To: 101-51720-161 – Secretary -	\$ 6,000
101-51720-191 – Board/Committee Members Fees -	2,500
101-51720-334 – Maintenance Agreements -	1,730

From: 101-58900-425 – Miscellaneous/Gasoline -	\$ 800
To: 101-51720-425 – Planning/Gasoline -	\$ 800

Comm. Sandlin moved, seconded by Comm. Shafer to approve the budget amendment for the Planning Department as requested transferring \$10,230 from Account 101-51720-103, Assistants, with \$6,000 to Account 101-51720-161, Secretary; \$2,500 to Account 101-51720-191, Board & Committee Members Fees; \$1,730 to Account 101-51720-334, Maintenance Agreements; \$800 from Account 101-58900-425, Miscellaneous Gasoline, to Account 101-51720-425, Planning Gasoline.

The motion passed unanimously by roll call vote.

STORM WATER:

The Finance Director requested approval of the following budget transfer for the Storm Water Department to allow for the purchase of an upgraded computer that would run AUTOCAD:

From: 101-57800-348 – Postal Charges -	\$ 500
101-57800-499 – Other Supplies/Materials -	1,100
To: 101-57800-709 – Data Processing Equipment -	\$1,600

Comm. Peay moved, seconded by Comm. Jernigan to approve the budget amendment for the Storm Water Department transferring \$500 from Account 101-57800-348, Postal Charges, \$1,100 from Account 101-57800-499, Other Supplies & Materials, with a total of \$1,600 to Account 101-57800-709, Data Processing Equipment.

The motion passed unanimously by roll call vote.

COUNTY BUILDINGS:

The Finance Director requested approval of the following budget amendment for the County Buildings Department to provide additional funding for Part-Time Personnel and the related benefits and the Communications Account to complete the fiscal year. She stated that she took the responsibility for not budgeting enough in the part time account advising that Mr. Mankin had initially requested more money than the amount that was budgeted:

From: 101-39000 – Unassigned Fund Balance -	\$25,071
To: 101-51800-169 – Part Time Personnel -	\$14,000
101-51800-201 – Social Security -	868
101-51800-212 – Employer Medicare -	203
101-51800-307 – Communications -	10,000

The Finance Director also requested approval of the following budget amendment for the County Buildings Department to provide sufficient funding for the reimbursement to the City of Murfreesboro for maintenance on the City/County garage and civic plaza:

From: 101-39000 – Unassigned Fund Balance -	\$15,000
To: 101-51800-309 – Contracts with Government Agencies -	\$15,000

Following discussion, Comm. Jernigan moved, seconded by Comm. Peay to approve the budget amendment for the County Buildings Department as requested amending \$25,071 from Account 101-39000, Unassigned Fund Balance, with \$14,000 to Account 101-51800-169, Part Time Personnel, \$868 to Account 101-51800-201, Social Security, \$203 to Account 101-51800-212, Employer Medicare, and \$10,000 to Account 101-51800-307, Communications; and amending \$15,000 from Account 101-39000, Unassigned Fund Balance, to Account 101-51800-309, Contracts with Government Agencies.

The motion passed unanimously by roll call vote.

Comm. Sandlin stated that when the committee looked at the 2013-14 budget, he would like to see the breakdown on the amount for the city/county garage and the civic plaza and the landscaping.

CIRCUIT COURT:

Mrs. Laura Bohling, Circuit Court Clerk, requested approval of the following budget transfers to provide sufficient funding for office supplies for the remainder of the fiscal year and to provide funding to purchase a copier to handle high volume copying, printing and scanning:

From: 101-53100-348 – Postal Charges -	\$ 2,500
To: 101-53100-435 – Office Supplies -	\$ 2,500
From: 101-53100-709 – Data Processing -	\$10,645
101-53100-711 – Furniture/Fixtures -	1,500
To: 101-53100-719 – Office Equipment -	\$12,145

Comm. Shafer moved, seconded by Comm. Baum to approve the budget transfers for the Circuit Court as requested transferring \$2,500 from Account 101-53100-348, Postal Charges, to Account 101-53100-435, Office Supplies; and transferring \$10,645 from Account 101-53100-709, Data Processing Equipment, and \$1,500 from Account 101-53100-711, Furniture & Fixtures, with a total of \$12,145 to Account 101-53100-719, Office Equipment.

The motion passed unanimously by roll vote.

CIRCUIT COURT JUDGES:

The Finance Director requested approval of the following budget transfer for the Judge Rogers, Circuit Court Judge, to provide funding to pay the accumulated compensatory time for a law clerk who has left employment:

From: 101-53110-106 – Deputies -	\$ 220
To: 101-53110-187 – Overtime Pay -	\$ 220

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget transfer for the Circuit Court Judges as requested transferring \$220 from Account 101-53110-106, Deputies, to Account 101-53110-187, Overtime Pay.

The motion passed unanimously by roll call vote.

FIRE & RESCUE:

Fire Chief Larry Farley requested approval of the following budget transfer to provide adequate funding for vehicle repairs for the remainder of the fiscal year:

From: 101-54320-790 – Other Equipment -	\$15,000
To: 101-54320-338 – Maint./Repair Vehicles -	\$15,000

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget transfer for the Fire & Rescue Department as requested transferring \$15,000 from Account 101-54320-790, Other Equipment, to Account 101-54320-338, Maintenance & Repair Vehicles.

The motion passed unanimously by roll call vote.

EMERGENCY MANAGEMENT:

The Finance Director requested approval of the following budget transfer for the Emergency Management Services Department to provide funding for the Voice-Over IP for the Emergency Operations Center and the EMA Office:

From: 101-54430-307 – Communications -	\$ 4,000
101-54430-355 – Travel -	1,250
101-54430-411 – Data Processing Supplies -	1,750
101-54430-429 – Instructional Supplies/Materials -	1,500
To: 101-54430-709 – Data Processing Equipment -	\$ 8,500

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the budget transfer for the Emergency Management Services Department as requested transferring \$4,000 from Account 101-54430-307, Communications, \$1,250 from Account 101-54430-355, Travel, \$1,750 from Account 101-54430-411, Data Processing Supplies, and \$1,500 from Account 101-54430-429, Instructional Supplies & Materials, with a total of \$8,500 to Account 101-54430-709, Data Processing Equipment.

Comm. Peay stated that he did not remember the request going through the Public Safety Committee. He stated that he understood that the request was to transfer money within the budget, but he did not know what IP Voice Over was going to do for the department.

Mayor Burgess stated he believed it would provide more efficient access to data within the county's network.

Comm. Peay stated that he personally would have liked for the amendment to go through the Public Safety Committee.

Following discussion the motion to approve the budget transfer for the Emergency Management Services Department as requested passed by roll call vote with Commissioners Baum, Jernigan, Sandlin and Ealy voting "yes"; Commissioner Peay voting "no"; Commissioner Shafer voting "pass"; and Commissioner W. Jordan being absent at that time.

PET ADOPTION & WELFARE SERVICES:

Mr. Michael Gregory, PAWS Director, requested approval of the following budget amendment to provide sufficient funding to cover the gasoline expenses for the remainder of the fiscal year:

From: 101-58900-425 – Miscellaneous/Gasoline -	\$ 6,500
To: 101-55120-425 – PAWS Gasoline -	\$ 6,500

Comm. Sandlin moved, seconded by Comm. Baum to approve the budget amendment for the PAWS as requested amending \$6,500 from Account 101-58900-425, Miscellaneous Gasoline, to Account 101-55120-425 – PAWS Gasoline.

The motion passed unanimously by roll call vote.

Mr. Gregory also advised that he was requesting to apply for the Animal Friendly Spay/Neuter Grant through the State of Tennessee, Department of Health in the amount of \$6,600. Mr. Gregory advised that he had applied for the grant every year since he had been with the county. The grant funds would be used to have the Spay Station, a low cost spay and neuter clinic, come to the county facility one time every other month. There are no matching funds required.

Comm. Sandlin moved, seconded by Comm. Peay to approve the request for the County Mayor and other appropriate county officials to submit an Animal Friendly grant application to the Tennessee Department of Health in the amount of \$6,600 requiring no local matching funds; and additionally to authorize the County Mayor to accept said grant subject to it being awarded.

The motion passed unanimously by roll call vote.

OTHER PUBLIC HEALTH & WELFARE:

The Finance Director requested approval of the following budget amendment to provide sufficient funding to pay for autopsies for the remainder of the fiscal year:

From: 101-39000 – Unassigned Fund Balance -	\$60,000
To: 101-55900-399 – Other Contracted Services -	\$60,000

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the budget amendment for Other Public Health & Welfare as requested to provide sufficient funding to pay for autopsies amending \$60,000 from Account 101-39000, Unassigned Fund Balance, to Account 101-55900-399, Other Contracted Services.

The motion passed unanimously by roll call vote.

SHERIFF'S DEPARTMENT/JAIL:

Sheriff Robert Arnold, and Chief Deputy Joe Russell were present to request approval of the following budget amendments to recognize revenue of \$1,113 from donations to be appropriated for Other Contracted Services and Other Supplies and Materials for both the Sheriff's Department and Jail; to recognize revenue of \$840 for the sale of supplies and materials to be appropriated for Other Contracted Services in the Sheriff's Department and the Detention Other Supplies and Materials; to recognize revenue of \$3,307 from the sale of recycled materials to be appropriated for the Detention Other Supplies and Materials for the vegetable garden; to transfer within the Detention budget to Maintenance and Repair of the Building; to transfer within the Detention budget for Food Preparation Supplies; and to request \$85,000 from the Unassigned Fund Balance for Food for inmates:

Increase Revenue:	101-44570 – Contributions/Gifts -	\$ 1,113
Increase Expend.:	101-54110-399 – Sheriff Other Contracted Svc. -	\$ 209
	101-54110-499 – Sheriff Other Supplies/Mat. -	654
	101-54210-499 – Jail Other Supplies/Mat. -	250
Increase Revenue:	101-44130 – Sale of Supplies/Materials -	\$ 840
Increase Expend.:	101-54110-399 – Sheriff Other Contracted Svc. -	\$ 196
	101-54210-499 – Jail Other Supplies/Materials -	644
Increase Revenue:	101-44145 – Sale of Recycled Materials -	\$ 3,307
Increase Expend.:	101-54210-499 – Jail Other Supplies/Materials -	\$ 3,307
From:	101-54210-399 – Jail Other Contracted Services -	\$ 11,500
	101-54210-717 – Jail Maintenance Equipment -	16,500
To:	101-54210-335 – Jail Maint./Repair Building -	\$ 28,000
From:	101-54210-336 – Jail Maint./Repair Equipment -	\$ 6,000
To:	101-54210-421 – Jail Food Preparation Supplies -	\$ 6,000
From:	101-39000 – Unassigned Fund Balance -	\$ 85,000
To:	101-54210-422 – Jail Food Supplies -	\$ 85,000

Comm. Peay moved, seconded by Comm. Shafer to approve the budget amendments and transfers for the Sheriff's Department and Jail as requested increasing Revenue Account 101-44570, Contributions & Gifts, by \$1,113, increasing Expenditure Accounts 101-54110-399, Sheriff's Department Other Contracted Services, by \$209, 101-54110-499, Sheriff's Department Other Supplies and Materials, by \$654 and 101-54210-499, Jail Other Supplies and Materials, by \$250; increasing Revenue Account 101-44130, Sale of Supplies and Materials, by \$840, and increasing Expenditure Accounts 101-54110-399, Sheriff's Department Other Contracted Services, by \$196 and 101-54210-499, Jail Other Supplies and Materials, by \$644; increasing Revenue Account 101-44145, Sale of Recycled Materials, by \$3,307 and increasing Expenditure Account 101-54210-499, Jail Other Supplies and Materials, by \$3,307; transferring \$11,500 from Account 101-54210-399, Jail Other Contracted Services, and \$16,500 from Account 101-54210-717, Jail Maintenance Equipment, with a total of \$28,000 to Account 101-54210-335, Jail Maintenance and Repair Building; transferring \$6,000 from Account 101-54210-336, Jail Maintenance & Repair Equipment, to Account 101-54210-421, Jail Food Preparation Supplies;

and amending \$85,000 from Account 101-39000, Unassigned Fund Balance, to Account 101-54210-422, Jail Food Supplies.

The motion passed unanimously by roll call vote.

SPECIAL PURPOSE FUND BUDGET AMENDMENT:

Sheriff Arnold and Chief Deputy Russell next requested approval of a Special Purpose (DEA) Fund budget amendment to provide funding for Other Equipment:

From: 121-34525 - Restricted for Public Safety -	\$35,000
To: 121-54110-790 – Other Equipment -	\$35,000

Comm. Peay moved, seconded by Comm. Jernigan to approve the budget amendment for the Special Purpose (DEA) Fund as requested amending \$35,000 from Account 121-34525, Restricted for Public Safety, to Account 121-54110-790, Other Equipment.

The motion passed unanimously by roll call vote.

REQUEST FROM SHERIFF'S DEPARTMENT TO SUBMIT GRANT APPLICATIONS:

Chief Deputy Russell also informed the committee that he was requesting to submit grant applications for the State Criminal Alien Assistance Program, which was 100% funded, and the Governor's Highway Safety Grant to be used for the DUI Enforcement Program, which would also be 100% funded.

Comm. Sandlin moved, seconded by Comm. Shafer to authorize the County Mayor and any other required officials to submit grant applications for the State Criminal Alien Assistance Program and the Governor's Highway Safety Grant both of which are 100% funded; and additionally, to authorize the County Mayor to accept said grants subject to them being awarded.

The motion passed unanimously by acclamation.

SOLID WASTE/SANITATION FUND BUDGET AMENDMENT:

The Finance Director requested approval of the following budget amendment for the Convenience Centers to provide adequate funding for the Communications Account to complete the fiscal year:

From: 116-55732-335 – Maint./Repair Buildings -	\$3,000
To: 116-55732-307 – Communications -	\$3,000

Comm. Peay moved, seconded by Comm. Sandlin to approve the budget transfer for the Convenience Center Department as requested transferring \$3,000 from Account 116-55732-335, Maintenance & Repair Buildings, to Account 116-55732-307, Communications.

The motion passed unanimously by roll call vote.

AMBULANCE SERVICE FUND:

Mr. Mike Nunley, Ambulance Service Director, requested approval of the following budget transfers and amendment to provide additional funding for the Overtime Pay Account to cover the shifts using available funds in the Dispatch line item and the paraprofessional account; to transfer within the budget to provide additional funding for Maintenance and Repair of Vehicles; and to recognize additional revenue from Patient Charges to be appropriated for Refunds:

From: 118-55130-133 – Paraprofessionals -	\$15,000
118-55130-148 – Dispatchers -	25,000
To: 118-55130-187 – Overtime Pay -	\$40,000

From: 118-55130-322 – Evaluation & Testing -	\$10,000
118-55130-451 – Uniforms -	15,000
To: 118-55130-338 – Maint./Repair Vehicles -	\$25,000
Increase Revenue: 118-43120 – Patient Charges -	\$10,000
Increase Expend.: 118-55130-509 – Refunds -	\$10,000

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendments for the Ambulance Service Fund as requested transferring \$15,000 from Account 118-55130-133, Paraprofessionals, and \$25,000 from Account 118-55130-148, Dispatchers, with a total of \$40,000 to Account 118-55130-187, Overtime Pay; transferring \$10,000 from Account 118-55130-322, Evaluation and Testing, and \$15,000 from Account 118-55130-451, Uniforms, to Account 118-55130-338, Maintenance and Repair Vehicles; increasing Revenue Account 118-43120, Patient Charges, by \$10,000 and increasing Expenditure Account 118-55130-509, Refunds, by \$10,000.

The motion passed unanimously by roll call vote.

REQUEST FOR ADDITIONAL FUNDING TO INSTALL WATER SPRINKLER SYSTEM
AT THE MIDLAND-FOSTERVILLE VOLUNTEER FIRE STATION:

The Finance Director provided a copy of the General Capital Building Program Progress Report reflecting that the Midland-Fosterville Volunteer Fire Department Project had \$10,788 in available funds.

Mayor Burgess explained to the committee that the Midland-Fosterville Volunteer Fire Department building was designed without a sprinkler system. When the building came up for the final inspection, it was determined that the engineer on the project was in error in omitting the sprinkler system. The building contains sleeping quarters, and with sleeping quarters the building has to have a sprinkler system. The estimated cost to install the sprinkler system is \$74,200. Mayor Burgess advised that most of the cost would be outside the building. Mayor Burgess advised that the Highway Department has said that would help repair the road, which would have to be opened to install the four-inch line to the building.

The Finance Director directed the committee's attention to the Elam Road Fire Department on the Progress Report. The estimated cost to repair the fire station was \$178,300; however, two insurance payments have been received for the project for a total of \$48,003. She advised that those two payments of \$48,003 could be moved from the Elam Road Fire Station to the Midland-Fosterville Fire Station. She stated that the funding for the sprinkler system would still be short by approximately \$15,500.

Mayor Burgess advised that originally the Midland-Fosterville Fire Department had promised to contribute \$20,000 toward the new station, but that money had not been received. He requested that the committee authorize moving \$60,000 from the Elam Road Fire Station to the Midland-Fosterville Fire Station, and he would also request the \$20,000 from the Midland-Fosterville Fire Department.

Comm. Jernigan asked about the funding to complete the Elam Road Fire Station.

Mayor Burgess advised that \$178,300 would be enough. He stated that he did not think the county would receive anything from the insurance company, but two payments have been received totaling \$48,000, and that money was not needed for the project.

Comm. Jordan stated that the sprinkler system had to be installed in order to get the certificate of occupancy, but he wanted to talk about repercussions to the architect. He stated that the architect should know the rules. He stated that a \$75,000 item should not have been omitted.

Comm. Sandlin stated that the architect should, at least, split the cost with the county.

Mayor Burgess stated that he would have to file a lawsuit to make that happen.

The Finance Director stated that in order to get the water sprinkler system project going, she would like to request approval to move \$65,000 from the Elam Road Fire Station project to the Midland-Fosterville Fire Station.

Comm. Jordan stated that he believed the county needed to do that to get the building occupied, but he did not want to stop at saying that was only a mistake. He wanted to address the problem with the architect.

Comm. Sandlin stated he would rather leave the architect situation up to the mayor to handle and then inform the committee as to what needed to be done. He stated that he did not like lawsuits, but it might be that if the architect was asked, he would take care of it.

Mayor Burgess stated that a total of \$65,000 could not be moved from the Elam Road Fire Station, because there was not that much available to move. Mayor Burgess advised that the work on the Elam Road Fire Station had started, and the only amount that could be moved was the two insurance payments totaling \$48,003.

Following discussion Comm. Jordan moved, seconded by Comm. Peay to transfer \$48,003 from the Elam Road Fire Station to the Midland-Fosterville Fire Station to provide funding toward installing a water sprinkler system.

The motion passed unanimously by roll call vote.

REQUEST TO SUBMIT A GRANT APPLICATION TO CHRISTY HOUSTON
FOUNDATION FOR RESCUE TRUCK AND RESCUE BOAT:

Mayor Burgess advised that there had been preliminary discussions with the Christy Houston Foundation regarding contributing funds for a rescue truck with an estimated cost of \$210,000 and a rescue boat with an estimated cost of \$57,000.

He advised that he was requesting to submit a request to the Christy Houston Foundation to provide a contribution for the rescue truck and the rescue boat.

Comm. Shafer moved, seconded by Comm. Jernigan to authorize the County Mayor to submit a request to the Christy Houston Foundation requesting funding for a rescue truck with an estimated cost of \$210,000 and a rescue boat with an estimated cost of \$57,000.

The motion passed unanimously by acclamation.

SALARY SUPPLEMENT AGREEMENT WITH TENNESSEE DEPARTMENT OF HEALTH:

Mrs. Dana Garrett, Health Department Director, requested approval to execute the annual Agreement with the Tennessee Department of Health for the term of July 1, 2013 through June 30, 2014, which allows the Tennessee Department of Health to use a portion of the county funds it receives to supplement the salary of the director at an annual amount of \$8,256.01.

Comm. Peay moved, seconded by Comm. Jernigan to approve the annual Salary Supplement Agreement with the Tennessee Department of Health in the amount of \$8,256.01.

The motion passed unanimously by roll call vote.

REQUEST FROM HEALTH DEPARTMENT TO SUBMIT A GRANT APPLICATION TO
TENNESSEE DEPARTMENT OF HEALTH:

Mrs. Garrett advised that she had a new Health Educator who had applied to the Tennessee Department of Health for a \$2,000 "Public Health: Partnering to Promote Primary Prevention with Minority Communities Initiative" grant. Mrs. Garret advised that the employee did not know the process for applying for the grant. The grant application has been submitted.

Comm. Jordan moved, seconded by Comm. Sandlin to authorize the County Mayor and any other appropriate officials of Rutherford County to submit a \$2,000 grant application to the

Tennessee Department of Health for the “Public Health: Partnering to Promote Primary Prevention with Minority Communities Initiative” grant.

The motion passed unanimously by acclamation.

GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENTS:

Mr. Don Odom, Director of Schools, and Mr. Jeff Sandvig, Finance Director of Schools, were present to request approval of the following General Purpose School Fund budget amendments.

Mr. Sandvig first requested approval of a cleanup amendment for certified staff reallocating \$26,113 in teacher pay and benefits with \$24,678 being budgeted teacher pay and \$1,435 being related changes in the 2012/13 benefits to cover the school year.

Secondly, Mr. Sandvig requested an amendment reallocating \$75,606 in budgeted classified staff pay and benefits with \$67,062 being classified pay and \$8,544 being the related benefits in order to cover staff changes that have occurred in the 2012/13 school year.

Mr. Sandvig next requested approval of an amendment, which budgets \$270,000 in additional state BEP funds the system will receive for the mid-year insurance increase to the lines where it may be needed and adjusts other miscellaneous insurance lines based on the 2013 plan year.

Next, Mr. Sandvig requested an amendment budgeting \$241,326 in state flow through funds for high-cost special ed. students the system received. These funds must be budgeted for current year non-administrative, special ed. expenditures. The amendment increases expenditures in the budget line items where needed.

The fifth amendment requested approval of an amendment budgeting \$36,000 in rental income for the custodians’ apartments in the high schools, which offsets the flow-through expenditure in custodian pay and benefits that had to be recorded per audit. The balance of the amendment dealt with contributions. It appropriated \$21,175 from fund balance for a 2011/12 donation from the Jennings Jones Foundation for staff development for the Spectrum Program, 141-72220-525. The amendment also budgeted \$59,606 in other donations to the line items designated by the donors.

The sixth amendment requested approval of an amendment reducing the state Career Ladder revenue by \$184,118, reducing Career Ladder expenditures by \$158,000 in pay and \$26,118 in related benefits. It also reallocated \$2,000 in state Extended Contract expenditures and the related \$331 in benefits in order to cover a staff reassignment due to a retirement last year.

Comm. Shafer moved, seconded by Comm. Jernigan to approve the General Purpose School Fund budget amendments as requested amending \$26,113 in already budgeted teacher pay and the related benefits (\$24,678 in pay and \$1,435 in benefits); amending \$75,606 in already budgeted classified pay and benefits (\$67,062 in pay and \$8,544 in benefits); amending \$270,000 in additional state BEP funds the system will receive for the mid-year insurance increase to the insurance lines and adjusting other miscellaneous insurance lines based on the 2013 plan year; amending \$241,326 in state flow through funds for high-cost special ed. students to the special education budget line items; amending \$21,775 from Unassigned Fund Balance to 141-72220-524, Special Education Staff Development, \$36,000 in rental income which offsets the flow-through pay and benefits, and \$59,606 in donations with the related expenditures; and reducing the State Career Ladder revenues by \$184,118 and reducing the related Career Ladder expenditures by \$184,118, and moving \$2,331 in extended contract expenditures from 71100, Regular Education, to 72220, Special Education Program.

The motion passed unanimously by roll call vote.

CENTRAL CAFETERIA FUND BUDGET AMENDMENTS:

Mr. Sandvig next requested approval of a Central Cafeteria Fund budget amendment reducing revenues by a net of \$239,711, decreasing expenditures by a net of \$38,043, and reducing the reserves, Restricted for School Nutrition, by \$201,668. \$164,747 of the decrease in reserves is to

cover two equipment purchases that are needed this school year, a compressor and a hood system.

Comm. Sandlin moved, seconded by Comm. Jordan to approve the Central Cafeteria Fund budget amendment as requested amending the 2012/13 Centralized Cafeteria Budget reducing revenues by a net of \$239,711, decreasing expenditures by a net of \$38,043, and reducing the reserves, Restricted for School Nutrition, by \$201,668.

The motion passed unanimously by roll call vote.

RISK MANAGEMENT

RISK MANAGEMENT FINANCIAL REPORT:

Mrs. Melissa Stinson, Risk Management Director, presented the monthly Risk Management Financial Report advising that the cost per employee per month for the medical, dental and vision plan was \$910.27 compared to prior year of \$853.56. The current year-to-date average was \$820.97 compared to the prior year year-to-date average of \$808.70. When including the on-site medical clinics experience, the cost per month per employee was \$949.11 compared to the prior year of \$903.81. The current year-to-date average including the on-site clinics was \$856.51 compared to \$841.77 for the prior year.

Mrs. Stinson provided a comparison of the revenues and expenditures for years 2011, 2012 and 2013. In 2011 the Health Insurance Fund netted revenue over expenditures of almost \$300,000. In 2012, the Health Insurance Fund experienced a deficit of \$3.8 million, which she stated was directly attributed to increased cost over decreased revenue. In 2013, although the fund is currently trending positively, the county is entering the period where no contributions are received from the school system during July and August. The premiums for school employees are pre-paid for the summer months. For the same period last year, the Health Insurance Fund was trending positively, but still ended in a deficit of \$3.8 million.

Mrs. Stinson next reviewed the Work Injury Fund performance advising that the year-to-date claims cost was \$648,450 compared to \$903,207 for the prior year or 72% of the prior year costs.

Following review, Comm. Jordan moved, seconded by Comm. Jernigan to approve the Risk Management Financial Report as presented.

The motion passed unanimously by roll call vote.

2013-14 PROPERTY, CASUALTY, AND CRIME COVERAGE RENEWALS:

Mrs. Stinson introduced Ms. Janet Bowman, Account Manager from CCMSI. Mrs. Stinson advised that CCMSI was the incumbent vendor for the Property, Casualty and Crime Coverage.

Mrs. Stinson advised that when the bids were released, two bids were received – one from CCMSI and one from J. Smith Lanier. Mrs. Stinson provided the committee with an overview of the two bids, major advantages of the coverage quoted by CCMSI, and a line by line comparison.

CCMSI's quote totaled \$1,152,203, and J. Smith Lanier's quote totaled \$1,257,415. There was a \$50,000 difference in the broker fees with CCMSI quoting \$10,000 and J. Smith Lanier quoting \$60,000. CCMSI quoted \$599,000 for the liability excess, while J. Smith Lanier quoted \$654,375. CCMSI quoted \$433,223 for the Property & Inland Marine coverage, and J. Smith Lanier quoted \$433,040. For the TPA Services, CCMSI quoted \$109,980, and J. Smith Lanier quoted \$110,000.

Mrs. Stinson advised that the J. Smith Lanier quote did not include a crime policy, which the county currently has and is included in the quote from CCMSI. The Board of Education had also requested that a quote for uninsured and underinsured motorist insurance be included, because children on a school bus basically do not have coverage, because the bus driver does not carry it, and it currently is excluded on the county's policy. She stated that the county did cover some of the liability related to the contract bus drivers, but not all. The uninsured/underinsured motorist insurance was requested as part of the bid, and J. Smith Lanier did not include the coverage in

their quote; however, they did come back on April 25 and indicated that they had received a quote of \$8,900 to add the coverage, but it was after the bids had been opened, and it could not be accepted. On the auto liability, the county currently has a \$25,000 deductible, and J. Smith Lanier quoted \$50,000. The county offers an accident policy for reserve deputies and volunteer firefighters, and J. Smith Lanier did not include this in their quote. For the property and inland marine coverage, J. Smith Lanier provided a schedule instead of a blanket policy. An example of this could be band equipment. If a piece of equipment was not on the schedule and a tornado or some other incident occurred, the equipment would not be covered unless it was on the schedule.

Mrs. Stinson advised that the Insurance Committee voted in favor of awarding the Property, Casualty and Crime coverage to CCMSI. It is lower in costs, it provided the level of coverage that was desired by the county, and there was no excess risk associated with the quote.

Comm. Sandlin asked about the liability coverage for children on a school bus.

Ms. Bowman explained that from a liability standpoint, children on a school bus were covered, and if they sustained bodily injury, they are currently covered.

Mrs. Stinson advised that if the accident was caused by another driver, who was uninsured, there was no uninsured motorist insurance that would cover the accident.

Ms. Bowman advised that the uninsured motorist insurance had been quoted this time. She stated that there had only been two claims in the past four years where an uninsured motorist hit a school bus, but no bodily injury was sustained by any of the children on the school bus.

Comm. Baum stated that he had attended some the Insurance Committee meetings, and he could not support the Insurance Committee's recommendation. He stated that he believed that the competing bid from J. Smith Lanier offered more insurance at lower costs. He stated that the J. Smith Lanier bid offered up to a \$5 million limit on multiple line items such as police and professionals, public officials, employment practices, auto liability and injury, general liability, and school board legal liability. He stated he believed the coverage offered by CCMSI for these items would be \$5 million in aggregate.

Mrs. Stinson advised that was mentioned to her after the meeting, and she had discussed it with the consultant. She stated that she reviewed the bid, and at the time the consultant had not provided a complete picture of the bid and that assumption was left. The reality, as Mrs. Stinson understood it, was that the J. Smith Lanier bid was actually a \$1 million/\$4 million bid. This meant that there was \$1 million that would be covered through one carrier, and then there was an excess of \$4 million for a total of \$5 million.

Comm. Baum stated that his point was that there was up to \$5 million on each line of coverage as opposed to \$5 million across all lines of coverage.

Mrs. Stinson advised that CCMSI provided that same coverage.

Comm. Baum also questioned the property coverage. He stated that his understanding was that CCMSI offered up to \$100 million of coverage, but the J. Smith Lanier quote included \$200 million of coverage. He quoted Mr. Sandvig as saying what if a tornado came through Rutherford County like the one in Joplin, Missouri and a lot of damage was sustained.

Comm. Baum also questioned the cost. The broker fees for CCMSI were quoted at \$10,000 and the broker fees for J. Smith Lanier was \$60,000. The TPA Services quoted by CCMSI was variable and quoted at \$109,980; and the TPA Services for J. Smith Lanier was quoted at a fixed fee \$110,000. He stated that Mr. Shupe, the consultant, estimated that the TPA fees for CCMSI would be approximately \$180,000. He stated when the broker fees and the TPA fees were added together, the J. Smith Lanier quote was cheaper. He stated that he also liked the fact that the TPA fee for J. Smith Lanier was fixed compared to a fee per claim as quoted by CCMSI.

Mrs. Stinson advised that Comm. Baum was correct regarding the estimate of \$180,000 for the TPA fees for CCMSI. She stated that was based on last year, which included the hail storm, which caused a lot of vehicle claims. She provided an analysis of the average number of claims

per year for five years, which indicated that in an average year, the fee would be approximately \$110,000.

Mrs. Stinson advised that Brentwood Services was previously the county's TPA, and they were not supportive of the OJI program, and that was one of the reasons the county moved away from them. She stated that Brentwood Services had now been handling OJI claims since about 2007. She stated that for \$20 more in surety the county would be giving up years of experience in not only managing Rutherford County but OJI's as well. She pointed out the number of auto physical damage claims, would go from a \$25,000 deductible to a \$50,000 deductible with J. Smith Lanier, which would cause additional exposure. For the earthquake and tornado coverage, \$200,000,000 would be nice, but from a risk perspective how often has that happened. She stated that the county would be more likely to have another hail storm in which a lot of vehicles were damaged.

Comm. Baum stated that his concern was to be able to lock into a fixed fee of \$110,000. He stated that he would like to remove the incentive of CCMSI to be paid more fees based upon the fee per claim.

Mrs. Stinson stated that there was really no way for CCMSI to create an incentive for the fees per claim, because they did not receive a claim unless the county sent it to them. She stated that she believed there was some risk on both sides, but was it enough incentive to move from what the county knew. She stated that the claims were not simple claims, and that they were very complex particularly with the OJI.

Comm. Baum stated that J. Smith Lanier was located on South Church Street, they were local, and they had 24 employees. He stated that having people located that close to the courthouse was also an advantage.

Mrs. Stinson stated one of the most attractive things about J. Smith Lanier was their safety program and the loss control that they provided. She asked Ms. Bowman to speak about the aggregate coverage.

Ms. Bowman explained that currently the quote had \$5 million per line of coverage plus and it also had \$10 million of aggregate. The \$1 million plus the \$4 million of excess as quoted by J. Smith Lanier was totally a different scenario. She stated that the quote from CCMSI included \$5 million of coverage on every line. With the \$1 million/\$4 million quote, the county would want to be sure that the \$4 million excess included the same coverage as the \$1 million primary and that there were no additional exclusions. The sexual abuse and sexual harassment liability coverage as quoted by CCMSI contained \$5 million in coverage with \$350,000 in retention; and J. Smith Lanier quoted \$1 million in coverage and \$300,000 retention. The CCMSI quote did include the crime coverage. Ms. Bowman advised that the CCMSI quote did include \$100,000,000 on the property. She stated if the county believed that there was more exposure, she could go back to Travelers and easily get \$200,000,000 in coverage. She stated that there was \$1 billion blanket coverage.

Following discussion, Comm. Sandlin moved, seconded by Comm. Shafer to approve the recommendation of the Insurance Committee and forward the same to the County Commission awarding Rutherford County's property, casualty and crime coverage to CCMSI effective July 1, 2013 at a cost of \$1,152,203.

The motion passed by roll call vote with Comm. Baum voting "no".

RECOMMENDATION OF LIFE INSURANCE CARRIER EFFECTIVE JANUARY 1, 2014:

Mrs. Stinson introduced Mr. Jay Brown of Cowan Benefits who was the consultant for the county in reviewing the bids. Mr. Brown has assisted the county in the past on insurance needs.

Mrs. Stinson advised that The Standard was the current carrier for the county's basic and supplemental life insurance. For the basic rate, which is fully paid by the county, The Standard quoted an 8% decrease with an overall increase of 6.3% for the total basic and supplement life AD&D.

Mrs. Stinson advised that the Insurance Committee has recommended The Hartford as the carrier for the basic and supplemental life insurance carrier effective January 1, 2014. The Hartford offered an overall 6.1% reduction. On the basic portion, which is paid by the county, they offered a 12.9% reduction. They also offered a reduction across all offerings on the supplemental, which is paid by the employees for an aggregated reduction of 6.1% overall.

Mrs. Stinson advised that the Insurance Committee also considered the quote from MetLife. For the basic life, MetLife quoted a 6.5% increase in annual costs. However, they offered a substantial decrease on the supplemental for employee life, but increased the rate on the spouse life and the retiree life for an aggregated reduction of 17.8% overall. However, Mrs. Stinson advised that when the overall bid was reviewed, the Insurance Committee believed that The Hartford was the best bid, because it reflected a reduction in costs across all lines.

Following review, Comm. Shafer moved, seconded by Comm. Jernigan to approve the recommendation of the Insurance Committee and forward the same to the County Commission awarding the life insurance basic and supplemental AD&D to The Hartford effective January 1, 2014.

The motion passed unanimously by roll call vote.

RECOMMENDATION FOR CIGNA AS SHORT-TERM DISABILITY CARRIER:

Mrs. Stinson advised that the current carrier for the Short-Term Disability Insurance was Reliance Standard, and they did not submit their bid by the deadline.

CIGNA provided a flat rate increase (current rates held flat) with a three-year rate guarantee.

The next closest vendor in terms of cost was MetLife with a 2% increase over current rates. However, a three-year rate guarantee was requested, and MetLife only provided a two-year rate guarantee. In addition, they reduced the maximum weekly benefit from \$1,250 to \$1,200.

The recommendation from the Insurance Committee was to award the Short-Term Disability coverage to CIGNA effective January 1, 2014.

Comm. Jernigan moved, seconded by Comm. Sandlin to accept the Insurance Committee's recommendation and forward the same to the County Commission to award the Short-Term Disability coverage to CIGNA effective January 1, 2014.

The motion passed unanimously by roll call vote.

2013-14 STOP LOSS RENEWAL:

Mrs. Stinson requested approval of the annual Stop Loss Insurance renewal with CIGNA. The Insurance Committee approved Option 1 with a \$750,000 individual pooling level. The current rate was \$5.48 per month per employee, and the quoted rate was \$5.95 per employee per month for a total annual premium of \$348,718.

Comm. Jordan moved, seconded by Comm. Peay to approve the recommendation of the Insurance Committee and forward the same to the County Commission to renew the Stop Loss Insurance with CIGNA at the current pooling level of \$750,000 with a rate of \$5.95 per employee for a total annual premium of \$348,718.

The motion passed unanimously by roll call vote.

RECOMMENDATION FOR CHANGES TO HEALTH INSURANCE PLAN:

Mrs. Stinson advised that at the Insurance Committee work session on April 3, they discussed things that could be done to save costs within the health insurance plan before additional costs were passed along to the employees. CIGNA was asked to provide recommendations for cost-saving measures based on what they commonly saw in the health plans that they administered. Mrs. Stinson provided a list of recommended plan changes that was presented to the Insurance Committee and accepted unanimously by the committee.

The recommended changes consisted of changes to the annual deductible for the Co-Pay Plan both for in-network and out-of-network; the annual out-of-pocket maximum in the Co-Pay Plan for both in-network and out-of-network; the ER Co-Pay will increase to \$300 per visit unless the person is admitted to the hospital; the urgent care Co-Pay will increase from \$30 to \$60 for the Co-Pay Plan in-network; and the mail order pharmacy with 90-day retail will see some improvement for the Co-Pay Plan.

For the Deductible Plan, the recommended changes consisted of increasing the out-of-network deductible; the annual out-of-pocket maximum will change for both in-network and out-of-network; the ER Co-Pay will increase to \$300 per visit; and improvement to the in-network mail order pharmacy and 90 day at retail.

For the HRA Plan, the recommended changes consisted of increasing the annual deductible for both in-network and out-of-network; and improvement in the mail order pharmacy and 90 day at retail.

The total estimated savings from the plan changes was \$675,700.

Following discussion, Comm. Shafer moved, seconded by Comm. Baum to approve the plan changes to the Health Insurance Plan as recommended by the Insurance Committee and forward the same to the County Commission to be effective January 1, 2014.

The motion passed unanimously by roll call vote.

2014 MEDICAL AND DENTAL RATES:

Mrs. Stinson advised that the Dental rates did not need an increase for 2014. The recommendation from the Insurance Committee was to approve the current dental rates with no increase effective January 1, 2014.

Comm. Jordan moved, seconded by Comm. Sandlin to approve the recommendation from the Insurance Committee to hold the dental rates flat with no rate increase for 2014.

The motion passed unanimously by acclamation.

The Finance Director stated that two people had asked her why the county did not bid the insurance premium. She asked Mrs. Stinson to explain the county's plan and the difference in a self-insured plan and a fully insured plan.

Mrs. Stinson explained that a fully insured plan was when a specified amount was paid per month on an employee and their coverage level, and it did not matter what the claims did the amount of premium paid for the employee was not exceeded. When the plan is bid again, the rate can adjust at that time based on the claims experience.

A self-funded plan is where the employer is willing to accept risk up to a certain amount, in the county's case it is \$750,000 per person on the plan, and anything below \$750,000 is the county's liability. The reason a self-funded plan is used is because, typically, when there are more than 1,000 lives covered on the plan it is better as long as the proper premium is charged. If the proper premium level is not charged, expenditures will out-pace revenue. With a self-funded model, the premium charged should be lower than a fully-insured plan premium because of the risk. With a self-insured plan, the cost should still be able to be covered while offering the same or better insurance in a lot of instances, and it is a cost-savings overall. While the county's premiums might appear to be high, if a fully insured quote was obtained, the county's rates would appear to be very good.

Mr. Brown advised that with a fully insured plan, a two percent tax would be paid; and with healthcare reform, beginning January 1, 2014 there would be an additional two percent to four percent that would be applied to fully insured rates. He stated that most of his clients were now looking at going self-insured. He stated that if the county wanted to look at a fully insured quote, the county would be at the mercy of what that company thought the rate should be. He stated that request for bids would be sent to every carrier, but essentially the rate would be what the carrier thought it should be. He stated when someone was self-funded, the claims were the

claims. He stated that he wanted to make sure the county received the best negotiated contracts with the hospitals and the providers, that the network was the broadest network available, and the administrative costs were as low as possible. He stated that was looked at last year, and CIGNA provided the greatest discounts, one of the broadest networks, and the lowest cost. Outside of that the claims must be managed. He stated the bulk of the increase was the claims. Mr. Brown stated that claims utilization has not gone up to mirror the increase. The claims utilization was up by only 3.6% this year over last year. He stated that Rutherford County did not have a claims utilization issue, but there was a premium problem. He stated that the budget was not set to match the claims. He stated that the budget needed to match the claims, because the shortfall could not continue to be funded with reserves.

Mrs. Stinson reminded the committee that the OPEB liability currently stood at approximately \$50 million. The proposal that was being recommended did not provide any funding toward the OPEB liability and would only cover the active claims.

Mrs. Stinson advised that when the discussion began regarding the health insurance premiums, the Board of Education brought forth a proposal to offer relief to the pre-65 retirees. The pre-65 retirees need a rate increase of 160%. The recommendation was for a rate increase of 50%, which would net a 31% increase. It was believed that the proposed premium level was too high. The board asked for a blended rate, which combined the pre-65 retirees with the active employee group and set a common overall rate for both groups with the pre-65 retirees paying one half the overall rates. She stated that the proposal included approximately \$1.4 million in the active group as subsidy for the retirees. The blended rate was voted down in the Insurance Committee.

Ultimately, a recommendation was made by the Insurance Committee to provide a one-year relief for the pre-65 retirees who have a retiree status as of December 31, 2013. Through that relief, the county portion of the premium would be increased for the single pre-65 retiree on the Co-Pay and Deductible Plans from 50% to 65.5%; and an increase to the county portion of the family pre-65 retiree on the Co-Pay and Deductible Plans from 50% to 63.5%. Any pre-65 retiree who retires after December 31, 2013 would pay 50% of the premium as it was originally designed.

Mrs. Stinson advised that the recommended increase in premium for the post-65 retirees was 10%, which was approved by the Insurance Committee.

Both of the recommendations for the pre-65 retirees and the post-65 retirees would provide a fully funded rate.

Regarding the active employees, Mrs. Stinson reminded the committee that in 2012, it was approved to begin reducing the county portion by one percent annually in order to provide more cost-sharing between the employee and the county.

The Insurance Committee requested that Mrs. Stinson provide several options regarding the premium rate structure for the active employees; one without plan changes and one reducing the county portion to 80% across all three plans. When the committee approved the plan changes, that option became obsolete. When the county portion was reduced to 80%, it doubled the active employee portion. This option was voted down by the Insurance Committee.

The committee discussed handling the active employees' premium rates the way they committed to in 2012 and reduce the county's portion to 87%. She stated that \$12 million more was needed next year in premium to cover the claims costs. When this was presented, it produced a tie vote.

The recommended option by the Insurance Committee, was to leave the retiree portion as previously approved by the Insurance Committee, leaving the employee individual premium the same as they are today with the county paying 90% on both the Co-Pay Plan and the Deductible Plan and 100% on the HRA Plan, and varying the contribution level among the three plans. The logic that was used in determining those contribution levels was where the most costs to the plan were occurring. The plan that cost the most was the deductible plan. The next plan with the most cost was the Co-Pay Plan. The cheapest plan was the HRA plan.

The recommendation from the Insurance Committee for the Co-Pay plan provided funding from the county of 86% for the employee plus spouse, 87% for employee plus child, and 85% for employee plus family.

The employee cost per year on the plan runs about \$4,000 in actual claims costs. The claims costs for spouses are approximately \$3,900 per year. The claims costs for children are approximately \$1,000 per year.

The recommendation from the Insurance Committee for the Deductible Plan provided funding from the county of 84% for employee plus spouse, 85% for employee plus child, and 83% for employee plus family.

The recommendation from the Insurance Committee also provided that a premium be charged for the employee plus spouse, employee plus child, and employee plus family on the HRA Plan to help offset the premium needs, and it was also behavior driven. The recommendation from the Insurance Committee for the HRA Plan provided funding from the county of 98% for employee plus spouse, 99% for employee plus child, and 97% for employee plus family.

Mrs. Stinson advised that overall the increase to the active employees was 24% on an aggregate basis, with a slight change among plans as approved earlier. The proposal provides approximately \$2.8 million more in premium from the employees and approximately \$8 million from the county.

Comm. Jordan asked about the proposal that was presented at the Insurance Committee whereby the county would fund 87% of the premium across the board except for the single coverage. He stated that he thought that the increase for the employee would be approximately 24%, but now he realized that the increase was 24% across the entire plan. With the recommendation from the Insurance Committee the premium for an employee under the Deductible Plan with employee plus family coverage would increase from \$162.57 per month to \$286.03 per month. He stated that the employee could move into the Co-Pay Plan, and the cost would go from \$142.24 to \$220.12. He stated he would like to know what the cost would be on the 87% plan.

Mrs. Stinson provided copies of the option whereby the county would fund 87% of the premiums. She stated that her goal was to make sure that there was not a deficit next year. She stated that she did not believe the county had an insurance problem, but she believed there was a payroll problem, and if employees had received pay increases every year, even if it was 1.5%, they would not be as upset as they were. She stated that from a risk management perspective, she wanted to drive behavior. She stated that she believed the spread of contributions that was proposed from the Insurance Committee was the right spread of contributions.

Mrs. Stinson explained that the premiums for retirees were being subsidized. She advised that TCRS does provide increases in pay to the retirees every year. She stated that the average employee, especially in the County General Fund, was on a fixed income. The average employee is predominantly male, 40 years of age, making \$40,000 per year, and head of household. She stated that she believed she had done her role in informing the committee what was needed. She stated if the Insurance Fund did not receive \$63 million, there would be another deficit like last calendar year.

Comm. Shafer stated there were only going to be more retirees in the future. He stated that he had recently talked to TCRS and every year except two years since 1980, the General Assembly had given a raise to retirees.

Comm. Baum stated it was hard to make a decision when the insurance plan was being considered separately from the overall budget. The recommendation from the Insurance Committee had the county paying approximately \$8 million more in premiums, and he did not know what the mayor's budget proposal included. He stated it would be easier to consider the insurance plan in light of the full county budget. He stated he believed what the county did with the insurance premiums partially hinged on whether or not county employees received a pay increase. He stated that he did not have a lot of interest in changing the insurance premiums for retirees over the age of 65. He stated that he would not want to change the Insurance Committee's recommendation for them. For people who were still working, he would like to consider other plans. He stated he preferred the graduated scale. He stated that he would like to

consider some other options with the graduated scale for active employees. He stated that he would like to see what the graduated scale plan would look like that would generate the same amount of money as an 80%/20% plan would provide but with different splits with a more generous premium for employees with the single plan and a higher premium for employees who carried a family plan.

Mrs. Stinson asked if he was talking about a defined contribution plan.

Mayor Burgess stated that the plan that Comm. Baum described would put more burden on the employee and less on the county. He stated that there was no way a large enough pay increase could be given to county employees to cover the increase to the insurance under this scenario.

Comm. Peay asked if different scenarios regarding the insurance premiums had been looked at in preparing the 2013-14 budget.

Finance Director Lisa Nolen advised that the budget had been based upon the Insurance Committee's recommendation.

Comm. Sandlin stated he believed if the county was headed toward an 80%/20% plan, that county employees should be told.

Following discussion, Comm. Jordan moved, seconded by Comm. Sandlin to approve the health insurance rates for the pre-65 retirees as recommended by the Insurance Committee modifying the health insurance premium with the county funding 65.5% for single coverage and 63.5% for family coverage for both the Co-Pay Plan and the Deductible Plan for the 2014 calendar year with the 50% premium contribution from both the county and the employee to pick back up for the 2015 calendar year; and to also approve the health insurance premium rates for the post-65 retirees with a ten percent premium increase effective January 1, 2014.

Chairman Ealy read her conflict of interest statement.

The motion passed unanimously by roll call vote.

The committee next considered the health insurance premium rates for the active employees.

Mayor Burgess stated that the recommendation from the Insurance Committee was an attempt to drive behavior. The 87% plan did not do anything to drive behavior.

Mrs. Stinson stated that if the committee approved the 87% plan, she would still recommend the stratified rates on the HRA plan with the county funding 98% of the employee plus spouse coverage, 99% on the employee plus child coverage, and 97% on the employee plus family coverage.

Mayor Burgess stated under the plan that the Insurance Committee recommended, the employees would be contributing \$7.2 million. Under the straight 87% plan, the employees would be contributing \$5.8 million, which was a difference of \$1.3 million. Either the county would have to pay the \$1.3 million difference, or the employee would have to pay the \$1.3 million difference. It would take two cents on the property tax rate to fund a pay increase for employees to cover the \$1.3 million, or it would take two cents on the property tax rate for the county to cover the \$1.3 million. He stated that the current budget recommendation did not include going to Phase 2 of the pay plan, but if phase 2 of the pay plan was implemented and the pay table was increased by one percent, it would cost approximately \$1.3 million. He stated that he would recommend approving the Insurance Committee recommendation for the health insurance premium rates for active employees, and that the committee consider implementing Phase 2 of the pay plan and increase the base pay table by one percent. He stated that it would be a wash for the citizens of the county.

Comm. Shafer noted that his wife was on the county's health insurance plan, but it was not influencing his vote.

Following discussion, Comm. Shafer made the motion to accept the recommendation of the Insurance Committee for the health insurance premiums for active employees with the county

funding 90% of the single coverage for the Co-Pay Plan and the Deductible Plan, 100% of the single coverage under the HRA Plan, 86% for the employee plus spouse under the Co-Pay Plan, 87% for the employee plus child under the Co-Pay Plan, 85% for the employee plus family under the Co-Pay Plan; 84% of the employee plus spouse under the Deductible Plan, 85% for the employee plus child under the Deductible Plan, 83% for the employee plus family under the Deductible Plan; 98% of the employee plus spouse under the HRA Plan, 99% of the employee plus child under the HRA Plan, and 97% of the employee plus family under the HRA Plan.

The motion died for the lack of a second.

Comm. Jordan moved, seconded by Comm. Peay to approve a modified version of the 87% plan with the county funding 90% of the individual coverage for both the Co-Pay Plan and the Deductible Plan, 100% of the individual coverage for the HRA Plan, 87% for all other tiers in the Co-Pay Plan and the Deductible Plan, 98% of the employee plus spouse under the HRA Plan, 99% of the employee plus child under the HRA Plan, and 97% of the employee plus family under the HRA Plan effective January 1, 2014.

Commissioners Jernigan, Peay, Shafer, and Ealy read their conflict of interest statements, but stated that they were voting their conscience.

The motion passed by roll call vote with Commissioners Jernigan, Jordan, Peay and Ealy voting “yes”; and Commissioners Baum, Sandlin, and Shafer voting “no”.

APPROVE DEAD STOCK REMOVAL SERVICE AGREEMENT:

The Dead Stock Removal Service Agreement with Appertain Corporation, South Central Tennessee Development District for the removal of large dead stock in the amount of \$33,007.52 was presented for approval. The term of the agreement begins on July 1, 2013 for a period of 12 months.

Comm. Jordan moved, seconded by Comm. Jernigan to approve the Dead Stock Removal Agreement with Appertain Corporation, South Central Tennessee Development District in the amount of \$33,007.52 beginning on July 1, 2013.

The motion passed unanimously by acclamation.

GRANT CONTRACT WITH TENNESSEE DEPARTMENTN OF HUMAN SERVICES FOR CHILD SUPPORT SERVICES:

The Finance Director requested approval of a one-year Grant Contract with the Tennessee Department of Human Services for IV-D child support services in the amount of \$31,124 for the period beginning July 1, 2013 and ending on June 30, 2014. The local match is \$16,034.

Comm. Sandlin moved, seconded by Comm. Jordan to approve the Grant Contract with the Tennessee Department of Human Services for IV-D child support services in the amount of \$31,124 requiring local matching funds of \$16,034 for the period beginning July 1, 2013 and ending on June 30, 2014.

The motion passed unanimously by acclamation.

RESOLUTION AUTHORIZING LITTER & TRASH COLLECTION GRANT – COUNTY ROADS:

A Resolution was presented for approval authorizing submission of an application for a litter and trash collection grant from the Tennessee Department of Transportation and authorizing acceptance of said grant.

The Finance Director advised that the amount of the grant was \$95,100 for the 2013-14 fiscal year.

Comm. Jordan moved, seconded by Comm. Sandlin to approve the Resolution and forward the same to the County Commission authorizing submission of an application for a litter and trash

collection grant in the amount of \$95,100 from the Tennessee Department of Transportation; and additionally, to authorize the County Mayor to execute contracts or other necessary documents which may be required to signify acceptance of the litter and trash collection grant.

The motion passed unanimously by acclamation.

RESOLUTION AUTHORIZING LITTER REMOVAL ACTIVITIES ON STATE HIGHWAYS:

A Resolution was presented authorizing the County Mayor and all other appropriate officials of Rutherford County to execute a Contract with the Tennessee Department of Transportation for litter removal activities on state highways in an amount not to exceed \$33,785.

Comm. Peay moved, seconded by Comm. Jernigan to approve the Resolution and forward the same to the County Commission authorizing the appropriate officials for an on behalf of Rutherford County to enter into and execute the contract with the Tennessee Department of Transportation for litter removal activities on state highways within Rutherford County in an amount not to exceed \$33,785.

The motion passed unanimously by acclamation.

At this point in the meeting, the committee took a short break.

FIVE YEAR CAPITAL PLAN:

The Finance Director advised that at the Property Management Committee meeting there had been discussion about the potential of moving forward with the construction of a new judicial building.

The Property Management Committee adopted a motion confirming the need for a new judicial building and continuing the process of getting more information to make a better decision. The Mayor and the Finance Director were directed to present the five-year capital project plan to the Budget Committee.

The Finance Director presented a five-year plan of potential capital projects for both the school system and the general government and the timing of funds needed to complete the projects. For the fall of 2013 and the spring of 2014, projects consisted of the Smyrna Primary addition and the Blackman Middle Annex, including the City of Murfreesboro share for a total of \$10,706,962. The projects listed for the general government for 2013-14 were the parking garage, airport improvements, and archives expansion for a total of \$12,400,000. The total estimated for 2013-14 for both schools and general government was \$23,106,962.

The total estimated amount needed for the fall of 2014 was \$43,295,160, which included projects for Roy Waldron addition, David Youree addition, Eagleville Phase 1 addition, and bleachers for La Vergne High School and Smyrna High School, road projects, vehicle repair garage, and Justice Center.

The total estimated amount needed for the fall of 2015 was \$51,000,000, which included projects for a new high school, road projects, and Justice Center.

The total estimated amount needed for the fall of 2016 was \$59,852,000, which included projects for new high school, Siegel High School addition, new middle school, and road projects.

The estimated amount needed for the fall of 2017 was \$32,557,333, which included projects for a new elementary school and road projects.

The Finance Director presented an analysis of the debt service projections for a 20-year period including the recent refunding. She explained that she was estimating that the \$9.6 million capital outlay note that would come due next year would be refunded with long-term borrowing. She advised that she anticipated that the expenditures would exceed the revenue in the Debt Service Fund next year by \$1.3 million. However, the estimated ending fund balance in the Debt Service Fund as of June 30, 2013 was \$32,195,000. Estimating that the Debt Service Fund

needed to retain a 65% fund balance, at the end of June 2014 there was the potential to have \$4.3 million above the requirement. She illustrated the amount that could be borrowed, in the millions, at various rates. The illustration showed that the Debt Service Fund could potentially have some capacity in the next two years for a new project.

2013-14 BUDGET OVERVIEW:

The Finance Director advised in the initial 2013-14 budget recommendation, the mayor was recommending to move 1.5 cents of the property tax from the Ambulance Service Fund to the General Fund. The General Fund includes a new position for Storm Water Management, and Mayor Burgess has spoken to the Highway Superintendent about helping to fund that by moving .1 cent from the property tax rate on the Highway Fund to the General Fund. This would make the total of .60 cents on the property tax rate to be reallocated to the General Fund.

The Finance Director advised that the maintenance of effort had to be met for the Highway Fund, and improvements to the sales tax revenue and the wheel tax revenue were being projected.

The Finance Director presented the estimated revenue from the Current Property Tax adjusting the assessments for tax appeals and subtracting the IDB properties and the tax freeze properties. The revenue per penny for the general government was \$581,378, and the revenue per penny for the school system was \$498,241. If the committee considers adding additional pennies to the property tax rate, the value of a penny added for the general government was \$576,596, and the value of a penny added for schools would be \$494,143.

The total recommended appropriations for all funds were \$480,156,661, and the total estimated revenues for all funds were \$453,048,519. The recommended appropriations exceed the estimated revenue by \$27,108,142. To balance the revenues to expenditures, 49.5 additional cents on the property tax rate would be needed. As currently presented, Rutherford County's fund balance policies are not met for the County General Fund and the General Purpose School Fund. To achieve compliance, an additional \$9.4218 cents is needed. However, it is estimated that the fund balances will end better than originally anticipated. To ensure that the fund balance requirements are met 4.2986 cents would be needed for the General Fund and 5.1232 cents would be needed for the General Purpose School Fund for a total of 9.42 cents.

Mayor Burgess advised that currently the budget only included a one-step increase in pay for the county employees and no increase to the pay table.

The Finance Director also advised that the budget was built with a one-step pay increase for employees using the current pay table. Phase 2 of the pay plan expanded the pay table to 56 pay grades and would cost approximately \$840,000 to implement.

Mayor Burgess also advised that the previous action by the Budget Committee regarding the active employee health insurance rates would add approximately \$1.1 million to the budget, which was not included at this time.

The Finance Director advised that the Highway Fund budget was prepared using the expanded 56-pay grade pay table but with no increase to the base table.

The Finance Director advised that if the committee decided to increase the base pay table, every one percent of increase would add \$378,000 to the budget. Employees who have topped out would not receive any increase in pay.

The Finance Director advised that 68 new full time personnel were requested by the departments. The mayor's recommendation included a net of 9.3 new positions and a decrease of two part time positions. The 11 SRO's for the elementary schools were not included in the Sheriff's request or the Mayor's recommendation. If the committee wanted to add additional SRO's that would also add an estimated \$1.2 million to the budget.

Some of the large increases to the budget included \$2,235,296 for salaries and benefits including the new positions, the one-step increase on the pay plan, an extra day of pay, and health insurance; \$1,460,000 for sheriff vehicles, \$490,000 for data processing; \$290,000 more for jail improvements, and \$183,200 for the jail medical services.

The increase to the General Purpose School Fund budget was based upon growth of 2.5% to 3% and the inclusion of 1.5% to their base payroll tables.

The Finance Director advised that the revenue from the Development Tax was being estimated at \$2 million, and that was being proposed to fund Sheriff's vehicles, GIS Data Acquisition, and OIT data processing equipment.

The Solid Waste/Sanitation Fund does not receive any revenue from property tax. It would take 1.59 cents to balance the fund, but the fund balance should cover it. As presented the fund balance would be drawn down to \$2.8 million.

In the Ambulance Fund, the recommended expenditures exceed the revenue by \$1.6 million. As recommended, the fund balance would be drawn down to \$1.6 million. It would take 2.87 cents on the property tax rate to balance the fund.

The estimated revenue for the Industrial/Economic Development Fund totaled \$21,337 and was derived from payments on the note from the Smyrna/Rutherford County Airport Authority. The estimated expenditures total \$243,745. The estimated ending fund balance was \$447,783.

The estimated expenditures for the Special Purpose Fund totaled \$29,989. Revenues cannot be budgeted for this fund until received. The Finance Director advised that whatever unspent expenditures remained in the budget at the end of the year would be rolled into next year's budget.

The estimated revenue for the Drug Control Fund totaled \$460,500, and estimated expenditures totaled \$364,610. The Finance Director advised that three positions that were added to the General Fund were being moved from the Drug Control Fund. The Sheriff's Department is absorbing the other two positions. The proposed budget for the Drug Control Fund does not include any positions. The estimated ending fund balance at June 30, 2014 was \$475,890.

The estimated revenue for the Highway fund was \$8,169,137, and the estimated expenditures totaled \$9,145,289. The Finance Director advised that the five-year rolling average in local revenue for the Highway Fund totaled \$4.2 million, and the proposed 2013-14 local revenue estimate was \$4.4 million, which would meet the maintenance of effort.

The estimated revenue for the General Purpose School Fund totaled \$286,141,692, and the estimated appropriations totaled \$300,653,689 reducing the fund balance by \$14,511,997. The estimated fund balance at July 1, 2013 was \$21,000,000, and the estimated ending fund balance at June 30, 2014 was \$6,488,003. It would take 29.37 cents to balance revenue to expenditures, and 5.12 cents to meet the fund balance requirement.

The estimated revenue for the Central Cafeteria Fund was \$18,290,500, and the estimated expenditures totaled \$19,089,953 reducing the fund balance by \$799,453. The estimated fund balance at July 1, 2013 was \$4,200,000, and the estimated ending fund balance at June 30, 2014 was \$3,400,547. The fund balance cannot exceed 25% of the appropriations.

The estimated revenue for the Education Capital Projects Fund was \$2,380,563, and the estimated expenditures totaled \$2,465,958 reducing the fund balance by \$85,395. The estimated fund balance at July 1, 2013 was \$1,165,000, and the estimated ending fund balance at June 30, 2014 was \$1,079,605.

The estimated revenue for the Debt Service Fund totaled \$48,790,455, and the estimated expenditures totaled \$50,476,307 reducing the fund balance by \$1,685,852. The estimated beginning fund balance at July 1, 2013 was \$32,195,000, and the estimated ending fund balance at June 30, 2014 was \$30,509,148.

ADJOURNMENT:

Chairman Ealy reminded the committee that the next Budget Committee was scheduled for Wednesday, May 15, 2013 at 5:30 P.M. to begin reviewing individual department's budgets.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 10:03 P.M.

Elaine Short, Secretary